

AGREEMENT AND AMENDMENT OF LEASE

RECEIVED
KING COUNTY

NOV 17 1982

INTERNATIONAL
AIRPORT

This Agreement and Amendment of Lease is made this day of

_____, 19 ____.

RECITALS

1. King County, a political subdivision of the State of Washington, as Lessor, has entered into a lease with Jack M. Conrad as Lessee, covering 208,698 square feet at King County International Airport, the effective date of which was November 1, 1972 and dated November 9, 1972.

2. Paragraph 3 of the lease provides for readjustment of rents at each five year anniversary date, which most recent rental anniversary date begins November 1, 1982.

3. King County and Lessee have agreed to incorporate the bare ground covered in two adjacent monthly rental agreements into this leasehold; the total consolidated description of the 254,799 square feet being herewith attached as Exhibit "A".

4. King County and Lessee have agreed upon a rental figure, the amount of which is annually \$61,661.36 and monthly \$5,138.45.

5. Lessee agrees to pay in addition to and with the base rents the Washington State Leasehold Excise Tax.

NOW THEREFORE,

King County and Jack M. Conrad agree as follows:

Paragraph 1 of said lease is amended by deleting the original legal description and adding the language found in Exhibit "A".

Paragraph 3 of said lease is amended to raise the rental for the five year period beginning November 1, 1982 to a monthly figure of \$5,138.45, together with an in addition, Lessee shall pay an amount to cover the Washington State Leasehold Tax.

Upon execution of this agreement, Lessee agrees to deposit the sum necessary to increase the present base rental security deposit to a total of \$5,800.00, by either cash or an acceptable bond.

Said lease shall, in all other respects, be and remain in full force and effect.

IN WITNESS WHEREOF, this Agreement and Amendment is executed in triplicate, on behalf of Lessor and Lessee, by their duly authorized officers.

LESSEE:

BY *Jack M. Conrad*

BY _____

DATE 9-16-82

LESSOR:
KING COUNTY, WASHINGTON

BY *Randy Revell*
Randy Revell
KING COUNTY EXECUTIVE

DATE NOV 9 1982

APPROVED AS TO FORM

BY *[Signature]*
Deputy Prosecuting Attorney

DATE _____

AAAL

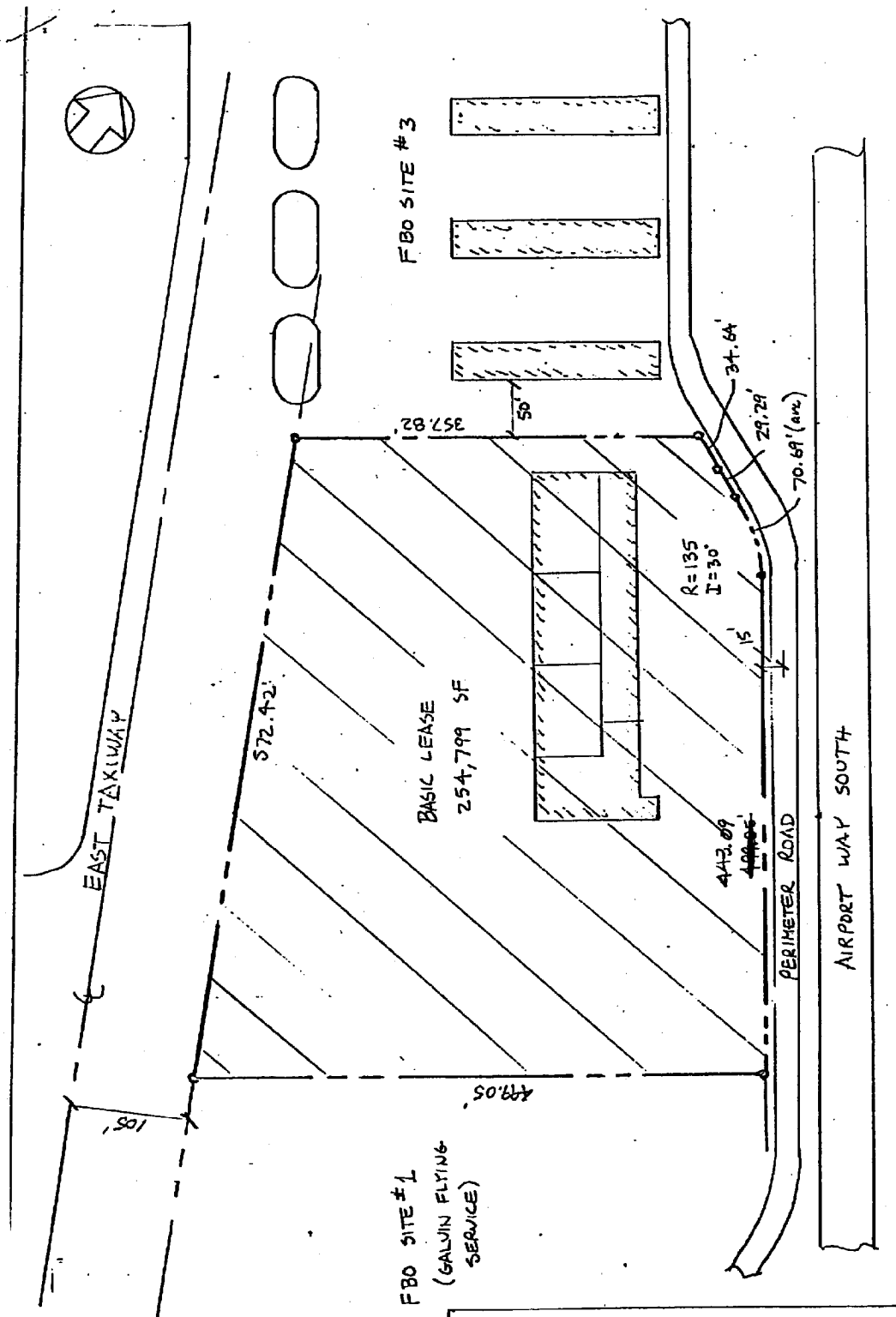
ROUTE
DS *[initials]*
IF *[initials]*
JW *[initials]*
KD *[initials]*
File

JACK M. CONRAD

A tract of land in the West half of Section 28, Township 24 North, Range 4 East, Willamette Meridian, described as follows:

"Beginning at the Southeast Corner of the Northwest Quarter (1/4) of Section 28, Township 24 North, Range 4 East, Willamette Meridian; thence North $88^{\circ}25'45''$ West 679.00 feet; thence North $38^{\circ}51'23''$ West 519.00 feet; thence North $51^{\circ}08'37''$ East 44.77 feet to the TRUE POINT OF BEGINNING; thence South $68^{\circ}51'23''$ East a distance of 29.29 feet; thence along the arc of a curve bearing to the right a distance of 70.69 feet, said curve has a radius of 135.00 feet and a chord bearing South $53^{\circ}51'23''$ East a distance of 69.88 feet; thence South $38^{\circ}51'23''$ East along a line that is parallel to East Perimeter Road and 15.00 feet to the West of the centerline of said road, a distance of 443.09 feet; thence South $51^{\circ}08'37''$ West along the common leaseline with Galvin Flying Service a distance of 499.05 feet, to a point that is 305.00 feet from the centerline of the Utility Runway 13L/31R; thence North $29^{\circ}52'38''$ West along a line parallel to the Utility Runway a distance of 572.42 feet; thence North $51^{\circ}08'37''$ East along a line that is parallel to the Southernmost T-Hangar (6929 Perimeter Road) and 50.00 feet South of the Southerly edge of said T-Hangar, a distance of 357.82 feet; thence South $68^{\circ}51'23''$ East a distance of 34.64 feet, more or less, to the TRUE POINT OF BEGINNING. Said tract of land contains 254,799 square feet.

Jeffrey W. Winter, P.E.
12-6-79



KING COUNTY INTERNATIONAL AIRPORT		
PLACE 7001 E. PERIMETER RD.		
TENANT JACK H. COLEMAN		
DATE 12-6-79	SCALE 1" = 100'	EXHIBIT "A"

AGREEMENT AND AMENDMENT OF LEASE

This Agreement and Amendment of Lease is made this 27 day
of April, 1978.

RECITALS

1. King County, a political subdivision of the State of Washington, as Lessor, has entered into a lease with Jack M. Conrad as Lessee, covering 208,698 square feet at King County International Airport, the effective date of which was November 1, 1972, and dated November 9, 1972.

2. Paragraph 3 of the lease provides for readjustment of rents at each five year anniversary date, which most recent rental anniversary date began November 1, 1977.

3. King County and the Lessee have been in dispute over the amount of the appropriate rental readjustments.

4. King County and Lessee have agreed upon a rental figure as a settlement in lieu of formal arbitration, the amount of which is annually \$21,913.29 and monthly \$1,826.11.

5. Lessee agrees to pay in addition to and with the base rents the Washington State Leasehold Excise Tax of 12%.

NOW THEREFORE,

King County and Jack M. Conrad agree as follows:

Paragraph 3 of said lease is amended to raise the rental for the five year period beginning November 1, 1977, to a figure of \$21,913.29 per annum, together with and in addition, Lessee shall pay an amount equal to 12% of each payment to cover the Washington State Leasehold Excise Tax.

Said lease shall, in all other respects, be and remain in full force and effect.

IN WITNESS WHEREOF, this Agreement and Amendment is executed in triplicate, on behalf of Lessor and Lessee, by their duly authorized officers.

LESSEE:

LESSOR:
KING COUNTY, WASHINGTON

BY Jack M. Conrad
BY Philip T. Hutchinson, attorney in fact
DATE 27 April 1978

BY John D. Spellman
JOHN D. SPELLMAN
KING COUNTY EXECUTIVE
DATE _____

APPROVED AS TO FORM & LEGALITY:

BY Thomas A. Hutchinson
Deputy Prosecuting Attorney

DATE 31 March 1978

General Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, That

Conrad

Jack M.

he ~~do~~ made, constituted and appointed, and by these presents do ~~make~~ make, constitute and appoint

Phillip T. Hutchinson

his full and lawful attorney for *him* and in *his* name, place and stead
and for *his* use and benefit

to ask, demand, sue for, recover, collect and receive all such sums of money, debts, dues, accounts, legacies, bequests,
interests, dividends, annuities and demands whatsoever, as are now or shall hereafter become due, owing, payable or
belonging to.

Jack M. Conrad

and have, use and take all lawful ways and means in *his* name, or otherwise, for the recovery
thereof, by attachments, arrest, distress or otherwise, and to compromise and agree for the same, and to make, sign, seal

and deliver acquittances, or other sufficient discharges for the same; for *him* and in *his*
name, to bargain, contract, agree for, purchase, receive and take lands, tenements, hereditaments, and accept the seizin
and possession of all lands, and all deeds, and other assurances in the law therefor; and to lease, let, demise, bargain, sell,
remit, release, convey, mortgage and hypothecate lands, tenements and hereditaments, upon such terms and conditions

and under such covenants as *he* shall think fit; to assign and transfer any note or mortgage; to
dedicate any street, avenue, alley, place, way or park for public use. ALSO to bargain and agree for, buy, sell, mortgage,
hypothecate, and in any and every way and manner deal in and with goods, wares and merchandise, choses in action
and other property, in possession or in action, and to release mortgages on lands or chattels, and to make, do and transact

all and every kind of business of what nature and kind soever. AND also for *him* and in *his*

name, and as *his* set and deed, to sign, seal, execute, deliver and acknowledge such deeds, leases and
assignments of leases, covenants, indentures, agreements, mortgages, hypothecations, bottomries, charter parties, bills of
lading, bills, bonds, notes, receipts, evidences of debt, releases and satisfactions of mortgage, judgment and other debts,
and such other instruments in writing, of whatsoever kind or nature, as may be necessary or proper in the premises:

GIVING AND GRANTING unto *his* said attorney full power and authority to do and perform
all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents
and purposes as *he* might or could do if personally present;

confirming all that *his* said attorney *Phillip T. Hutchinson* hereby ratifying and
shall lawfully do or cause to be done, by virtue of these presents.

IN WITNESS WHEREOF, *he* has hereunto set *his* hand and seal the

day of _____ in the year of our Lord one thousand nine hundred and _____
Signed, Sealed and Delivered in the Presence of

Jack M. Conrad (SEAL)
(SEAL)

STATE OF WASHINGTON, }
COUNTY OF King } ss.

On this 13th day of April, A. D. 1978, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared

Jack M. Conrad
to me known to be the individual.... described in and who executed the foregoing instrument, and acknowledged to me thathe.... signed and sealed the said instrument as.....free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Shirley C. Smyth
Notary Public in and for the State of Washington,
residing at Redmond

General Power of Attorney

TO

STATE OF WASHINGTON, }
COUNTY OF } ss.
FILED FOR RECORD AT REQUEST OF

on at
..... minutes past o'clock M.,
and recorded in Volume of Powers of
Attorney, at page, records of said County.

County Auditor.

By Deputy.

Pioneer National
Title Insurance Company

WASHINGTON TITLE DIVISION

LEASE

THIS LEASE, made the 9 day of November, 19 72,
between King County, a political subdivision of the State of
Washington, Lessor, and Seattle Flight Service Inc., Lessee.

WITNESSETH:

That the parties hereto do hereby mutually agree as follows:

LEASED
PREMISES

1. - King County leases to Lessee and Lessee leases from King
County the premises in King County, Washington, described as
follows:

A tract of land in the West half of Section 28, Township 24
North, Range 4 East, W.M., described as follows:

Beginning at the Southeast corner of the Northwest Quarter
($\frac{1}{4}$) of Section 28, Township 24 North, Range 4 East, W.M.;
Thence North $88^{\circ}25'45''$ West 679.00 feet; Thence North 38°
 $51'23''$ West 519.00 feet; Thence North $51^{\circ}08'37''$ East 44.77
feet to the True Point of Beginning; Thence South $68^{\circ}51'23''$
East a distance of 29.29 feet; Thence along the arc of a
curve bearing to the right a distance of 70.69 feet; said
curve has a radius of 135.00 feet and a chord bearing South
 $53^{\circ}51'23''$ East a distance of 69.88 feet; Thence South $38^{\circ}51'$
 $23''$ East along a line that is parallel to East Perimeter Road
and 15.00 feet to the West of the centerline of said road, a
distance of 372.19 feet; Thence South $51^{\circ}08'37''$ West a distance
of 487.85 feet, to a point that is 305.00 feet from the center-
line of the Utility Runway 13L/31R; Thence North $29^{\circ}52'38''$ West
along a line parallel to the Utility Runway a distance of 470.48
feet; Thence North $51^{\circ}08'37''$ East along a line that is parallel
to the Southermost T-Hangar (6929 Perimeter Road) and 80.00
feet South of the Southerly edge of said T-Hangar, a distance
of 381.42 feet, more or less, to the True Point Of Beginning.
Said Tract of land contains 208,698 square feet.

Hereinafter called the "premises".

TERM

2. - This lease creates a tenancy for the term of 35 years, begin-
ning, at noon the 1st day of November 1972, and ending without notice
at noon the 31st day of October, 2007.

RENT

3. - Lessee will pay rent for the premises of \$17,739.36 per annum,
payable at the rate of \$1,478.28 per month. Lessee will pay the rent
to King County in advance, on the first day of each month, and wher-
ever King County may designate. To insure for the premises a fair
rent based upon the fair market value of the land, King County may
adjust the rent to the current fair market rental value every five
years, upon the five year anniversary of the effective date of this
lease, set forth in Paragraph 2 of this lease.

Fair Market Rental Value is defined as: an amount which in a

competitive market, a well-informed and willing Lessor who desires but is not required to lease, would accept , and which a well informed and willing Lessee who desires but is not required to lease, would pay, for the temporary use of the premises after due consideration of all the elements reasonably affecting value.

When it elects to adjust the rent, King County will give Lessee written notice of the adjusted rent. Within thirty (30) days following receipt of notice from King County, Lessee will give King County written notice of its acceptance or rejection of the adjusted rent. If Lessee does not notify King County within the thirty (30) day period, the rent as adjusted by King County will be the rent for the appropriate five-year period. If Lessee and King County cannot agree upon the rent for the five-year period, the rent for the period will be adjusted by arbitration. Lessee and King County will select one arbitrator each, and the two selected arbitrators will select a third. If the two arbitrators have not selected a third arbitrator within thirty (30) days after the selection of the last selected of the two, either Lessee or King County will apply to the Presiding Judge of the Superior Court in King County for the appointment of a third arbitrator. Each arbitrator will be a member of the American Institute of Real Estate Appraisers, or of the Society of Real Estate Appraisers, or of some equivalent body; but in the alternative, if in the future a licensing requirement for real estate appraisers is imposed by any legislative body, each arbitrator will be licensed. The three arbitrators will determine a fair rent for the premises based upon the fair market value of the land; but the arbitrators may not reduce the rent below the sum fixed for the last preceding period. The decision of a majority of the arbitrators will bind both Lessee and King County. At the conclusion of the arbitration, the arbitrators will submit written reports to Lessee and King County. The cost of the arbitration will be divided equally between Lessee and King County.

SURETY

4. - At the time of execution of this lease, Lessee will deposit with King County a cash sum of Three Thousand and No/100 (\$3,000.00) Dollars. This sum will secure performance of all of Lessee's obligations under this lease. This paragraph does not preclude King County from pursuing any remedy for Lessee's failure to perform.

USE OF
PREMISES

5. -

(1) Lessee will use the premises for the following purposes and will not use them for any other purposes without the prior written consent of King County:

- a. Hangars for aircraft maintenance and storage
- b. Adequate off-street automobile parking (customers and employees)
- c. Aircraft charter, ambulance and air-taxi service
- d. Aircraft lease and rental
- e. Aviation school, flight and ground
- f. Sale of new and used aircraft
- g. FAA approved airframe and engine service, repair and overhaul for the types of aircraft normally associated with a fixed air base operation.
- h. Aircraft painting service
- i. Complete cleaning of aircraft, interior, exterior and engine
- j. Line service and dispensing aviation fuel (including jet fuel) and lubricants.
- k. Lounge and rest room facility for public use
- l. Public information services including public telephones
- m. Adequate public transient aircraft tie-down facilities upon the leased premises.

(2) That portion of the leased premises identified as Parcel A. consisting of 87,662 square feet more or less as shown on Exhibit A (lease area diagram) is to be used primarily for the following purposes:

- a. Public and transient (visitor) aircraft tie-down and term parking (i.e., over-night, daily, weekly, monthly).
- b. Aircraft fueling services
- c. Other public and transient (visitor) aircraft services including ground transportation for passengers, information and general assistance to visitors and public utilizing facilities on Boeing Field.

Prohibited uses within "parcel A" as herein described include but are not limited to the following:

- a. Above ground improvements without the written permission of the Airport Manager
- b. Aircraft maintenance
- c. Storage or parking of unattended fuel trucks or other vehicles
- d. The installation of fixed or free standing signs or placards.
- e. Commercial aviation activities (as defined in Chapter 15.08.200 of King County Airport Rules and Regulations), except those activities authorized pursuant to an appropriate lease, agreement or permit with King County.

(3) All services must be approved or accredited by the F.A.A. where such approval or accreditation is necessary.

Lessee shall use the entire premises in a businesslike and responsible manner during the entire term of this lease, with the exception of temporary closures for such period as may reasonably be necessary for repairs or redecorating or for reasons beyond Lessee's control.

ACCEPTANCE OF
PREMISES

6. - Lessee has examined the leased premises and accepts them in their present condition.

POSSESSION

7. - If King County is unable to deliver possession of all or part of the premises at the time agreed, King County will not be liable for any damages caused to Lessee, and all the provisions of this lease will remain in effect except Lessee will not be required to pay full rent until King County delivers full possession. If Lessee takes possession of part of the premises, Lessee will pay the full rent reduced pro rata for the part of the premises not available for possession. If Lessee, with King County's written consent takes possession of all or part of the premises prior to the commencement of this lease, all of the provisions of this lease will apply immediately.

HOLD HARMLESS

8. Lessee agrees to protect and save King County, its elected and appointed officials, employees and agents, while acting within the scope of their duties as such, harmless from and against all claims, demands and causes of action of any kind or character, including the cost of defense thereof, arising in favor of Lessee's employees or third parties on account of personal injuries, death or damage to property, arising out of the premises leased by Lessee or in any way resulting from the willful or negligent acts or omissions of the Lessee and/or its agents, employees or representatives.

INSURANCE

9. Minimum Insurance required shall be public liability and property damage in the following amounts:

\$100,000 each person, personal injury
\$300,000 each occurrence, personal injury
\$100,000 each occurrence, property damage

in a comprehensive Liability Contract of Insurance.

The Lessee shall also provide Hangar Keepers legal liability protection in adequate limits of liability to protect his usual risks but in no case less than \$50,000 for any one aircraft and \$500,000 for any one loss.

The Lessee shall provide aircraft liability and property damage coverage, including passenger hazard liability in adequate limits to protect his usual risk, but in no case less than \$100,000 each person - Bodily Injury, \$300,000 aggregate - Bodily Injury Liability, \$100,000 Property Damage Liability and \$100,000 - per passenger or per seat liability.

TAXES

10. - Lessee will pay throughout the term of this lease, all license and

excise fees and occupation taxes covering the business conducted on the premises, and all taxes on property of Lessee on the premises and all taxes on the leasehold interest created by this lease.

COMPLIANCE WITH
ALL LAWS AND
REGULATIONS

11. - In using the premises, Lessee will comply with all applicable Federal, state, county and municipal laws, ordinance and regulations.

LIENS

12. Lessee will keep the premises free from any liens arising out of obligations incurred by the Lessee. Upon written request from King Co., Lessee will furnish written proof of payment of any charge which could provide the basis for a lien on the premises if not paid. Provided, however, that it shall not be considered a breach of this lease for the Lessee to contest any lien on the premises which it considers invalid. Lessee shall have thirty days from the date of final judgment to remove any lien before the presence of said lien shall be considered a breach of the lease.

ASSIGNMENT OR
SUBLEASE

13. - Lessee shall not assign or transfer this lease or any interest therein nor sublet the whole or any part of the premises, nor shall this lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the written consent of the County first had and obtained, which consent shall not be unreasonably withheld. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this lease more than one-half ($\frac{1}{2}$) of the outstanding shares of any class or stock of Lessee corporation shall belong to any stockholders other than those who own more than one-half ($\frac{1}{2}$) of the outstanding shares of that class of stock at the time of the execution of this lease or to members of their immediate families, such change in the ownership of the stock of the Lessee shall be deemed an assignment of this lease within the meaning of this paragraph. If the County shall give its consent to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the County's consent. If Lessee desires to assign or transfer this lease or any interest therein, he shall notify King County in writing of said desire to assign or transfer and the details of the proposed agreement, thirty days prior to executing any assignment or transfer to a third party.

TERMINATION
DEFAULTS

14. - If Lessee files a petition in bankruptcy, or if Lessee is adjudged bankrupt or insolvent by any court, or if a receiver of the property of Lessee is appointed in any proceeding brought by or against Lessee, or if Lessee makes an assignment for the benefit of creditors, or if any proceedings are commenced to foreclose any mortgage or any other lien

on Lessee's interest in the premises or on any personal property kept or maintained on the premises by Lessee, or if Lessee defaults in the performance of any of his obligations under this lease, King County may terminate this lease by written notice to Lessee and re-enter and take possession of the premises without process of law.

Time is of the essence of this agreement, and in the event of the failure of Lessee to pay the rentals or other charges at the time and in the manner herein specified, or to keep any of the covenants or agreements herein set forth, the Lessee shall be in default.

If Lessee has defaulted in the performance of any of his obligations under this lease, King County may terminate this lease under the provisions of this paragraph. King County will give Lessee fifteen (15) days notice in writing stating the nature of the default to permit Lessee to remedy the default within the fifteen (15) day period. In the event Lessee fails to cure said default, King County may at any time after the expiration of the fifteen (15) days, terminate said lease, on written notice.

The right of termination upon the filing of a bankruptcy proceeding shall exist absolutely under the filing of any petition under Chapter I through VII of the Bankruptcy Act (provided that, in the case of an involuntary petition, the right shall not accrue until adjudication). If a proceeding is filed by the Lessee under Chapters X through XII of the Bankruptcy Act, the right of the County to terminate the lease shall be conditioned upon a showing that the lease is in default or that there is a substantial probability the Lessee will not be able to perform its obligations under the lease.

**TERMINATION BY
KING COUNTY**

15. - King County reserves the right to cancel this lease upon six months notice in writing to the Lessee or the persons in possession of the premises if the premises are required by King County for the improvement or development of Boeing Field, and under such cancellation the Lessee or persons in possession of premises shall be reimbursed by King County for the fair market value, as defined in this provision, or any improvements placed on the premises by the Lessee in accordance with the terms of this lease. In the event that King County and Lessee cannot agree upon the value of said improvements, King County and Lessee shall submit to have the fair market value adjusted by arbitration in the manner following, to-wit: Lessee & King County will select one arbitrator each, and the two selected arbitrators will select a third. If the two arbitrators have not selected a third arbitrator within thirty days after the selection of the last selected of the two, either Lessee or King County will apply to the Presiding Judge of the Superior Court in King County for the appointment of a third arbitrator. Each arbitrator will be an impartial qualified real estate appraiser. Each

arbitrator will be a member of the American Institute of Real Estate Appraisers, or of the Society of Real Estate Appraisers, or of some equivalent body; but in the alternative, if in the future a licensing requirement for real estate appraisers is imposed by any legislative body, each arbitrator will be licensed. The three arbitrators will determine a fair value for the improvements based upon the fair market value of the improvements. The decision of the majority of the arbitrators will bind both Lessee and King County. At the conclusion of the arbitration, the arbitrators will submit written reports to Lessee and King County. The cost of the arbitration will be divided equally between Lessee and King County.

Fair Market Value is defined as: the price it will bring when offered for sale by one who desires, but is not required to sell, and is sought by one who desires, but is not required to buy, after due consideration of all the elements reasonably affecting value.

**TERMINATION FOR
GOVERNMENT USE**

16. - In the event the United States Government or any agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the premises or any part thereof, King County may, at its option, terminate this lease as of the date of such taking, and, if Lessee is not in default under any of the provisions of this lease on said date, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be refunded to Lessee.

**TERMINATION
BECAUSE OF
COURT DECREE**

17. - In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by King County of any of its obligations under this lease, then either party hereto may terminate this lease by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Lessee is not in default under any of the provisions of this lease on the effective date of such termination, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be refunded to Lessee.

WAIVER

18. - The acceptance of rent by King County for any period or periods after a default or of performance of any covenant of this lease after a default by Lessee will not be considered a waiver of the default unless King County gives Lessee written notice that the acceptance is a waiver. No waiver by King County of any default by Lessee will be construed to be or act as a waiver of any subsequent default by Lessee.

LITIGATION COSTS

19. - If either party is required to bring any action to enforce any of the provisions of this lease, except actions associated with arbitration as outlined in paragraphs 3 and 15 of this lease, then the prevailing party shall be entitled, in addition to any other relief granted, to its reasonable costs including attorneys' fees. Any action arising under this lease shall be brought in King County, Washington.

CUMULATIVE
REMEDIES

20. - No provision of this lease precludes King County from pursuing any other remedies for Lessee's failure to perform his obligations.

HEIRS, AGENTS
AND ASSIGNS.

21. - Without limiting any provisions of this lease pertaining to assignment and subletting, the provisions of this lease bind the heirs, legal representatives, successors, agents and assigns of any of the parties to this lease.

SURRENDER

22. - At the expiration or termination of this lease, Lessee will promptly surrender possession of the premises to King County.

HOLDING OVER

23. - If Lessee shall, with the consent of King County, hold over after the expiration or sooner termination of the term of this lease, the resulting tenancy shall, unless otherwise mutually agreed, be on a month-to-month basis. During such month-to-month tenancy, Lessee shall pay to King County the same rate of rental as set forth herein, unless a different rate shall be agreed upon, and shall be bound by all of the additional provisions of this lease agreement insofar as they may be pertinent.

PUBLIC USE

24. - The premises and King County Airport are subject to the terms of certain sponsor's assurance made to guarantee the public use of the public airport area of King County Airport as incidental to grant agreements between King County and the United States of America.

RIGHT OF FLIGHT 25. - The premises are subject to a right of flights for the passage of aircraft above the premises for landing at, taking off from and operating aircraft on or over King County Airport all in accordance with applicable safety and operating regulations of King County Airport and the Federal Aviation Administration.

EMPLOYEE CONDUCT 26. - If the Airport Manager finds any of Lessee's employees or agents violating rules or regulations of King County Airport, Lessee will remove the agent or employee from King County Airport upon written notice from the Airport Manager.

Non-DISCRIMINATION 27. - In all hiring or employment made possible or resulting from this agreement, there shall be no discrimination against any employee or applicant for employment because of sex, age, race, color, creed or national origin and this requirement shall apply to but not be limited to the following: employment, advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

No person shall be denied, or subjected to discrimination in receipt of, the benefit of any services or activities made possible by or resulting from this Agreement on the ground of sex, race, color, creed, national origin, or age, except by minimum age and retirement provisions. The Lessee shall be bound by the regulations of the Secretary of Transportation pertaining to non-discrimination in Federally-assisted programs as delineated in 49 Code of Federal Regulations, Chapter 21, and Appendices thereto (formerly FAA Regulations, Part 15).

Any violation of this provision shall be considered a violation of a material provision of this agreement and shall be grounds for cancellation, termination or suspension in whole or in part, of the agreement by King County and may result in ineligibility for further King County agreements.

ADVANCES BY
KING COUNTY
FOR LESSEE

28. - If Lessee fails to pay any fees or perform any of his obligations under this lease, King County will mail notice to Lessee of his failure to pay or perform. Fifteen days after mailing notice, if Lessee's obligation remains unpaid or unperformed, King County may pay or perform these obligations at Lessee's expense. Upon written notification to

Lessee of any costs incurred by King County under this paragraph,
Lessee will promptly reimburse King County.

SEVERABILITY

29. - If any term or provision of this lease or the application of any term or provision to any person or circumstance is invalid or unenforceable, the remainder of this lease, or the application of the term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected and will continue in full force.

CONSTRUCTION OF
IMPROVEMENTS BY
LESSEE

30. - Lessee agrees to construct on the leased premises a building or buildings which shall provide, as a minimum, for; a public lounge and restroom facility, aircraft fueling and service facilities, administrative offices and operations space. The building or buildings shall be constructed in accordance with the following standards:

1. Minimum building improvements - 10,000 square feet.
2. Maximum building site coverage - 60,000 square feet.
3. Minimum landscaping coverage - 5% of leased area.
4. Front setback to buildings - 10 feet minimum.
5. Side setback to side with no aircraft access - 5 feet.
Side setback to side with aircraft access - 25 feet.

Lessee will submit to King County detailed plans and specifications for the building improvements by February 1, 1973. King County reserves the right to final approval of the design, plans, specifications, and building materials prior to the Lessee's application for a building permit. The final approval shall not impose conditions causing the costs of such construction to exceed the minimum construction commitment. The minimum construction commitment is the sum of Three Hundred Thousand and no/100 Dollars (\$300,000). The Lessee will begin construction no later than thirty (30) days after approval of the plans and specifications by King County. Lessee agrees to complete construction as outlined herein by January 1, 1974.

Lessee will provide King County with a construction bond, acceptable to King County or certified check payable to King County in the amount of Three Hundred Thousand and No/100 Dollars (\$300,000), which will be held by King County until the construction required by these specifications is completed.

RECONSTRUCTION OF
IMPROVEMENTS
INSURANCE

31. - In the event of the total or partial destruction by fire, regardless of origin, or otherwise of the buildings, structures or facilities constructed by the operator, the operator shall have the obligation to

reconstruct such facilities to their original condition within six (6) months after their destruction. The successful bidder will carry property insurance on the improvements, during the term of the lease, to protect King County's vested interest in the improvements.

**OWNERSHIP OF
IMPROVEMENTS**

32. - (a) Notwithstanding any other provisions of this lease, upon the expiration of the term of this lease or upon the termination of this lease pursuant to the provisions of either paragraph 14 or 15, King County shall be entitled, upon its specific written request, to have the leased premises returned to it clear of all improvements located upon said premises. King County, at its option, may elect to take title to all said improvements in lieu of such removal by or for Lessee, provided, however, if termination occurs under provision 15 of this lease, Lessee shall be entitled to reimbursement as provided in provision 15.

(b) If King County requests such removal, Lessee shall complete the same within sixty (60) days after the date of King County's request. If Lessee fails to so remove said improvements within said sixty (60) days, they may be removed thereafter by King County and Lessee agrees to pay King County the cost thereof upon demand, together with the maximum interest allowed by Washington State Law.

(c) If Lessee is not in default hereunder, Lessee shall have the right to remove during the term hereof, any and all trade fixtures which Lessee may have placed or installed upon the Leased premises; provided however, that upon said removal, Lessee shall repair, at Lessee's own expense, any damage resulting therefrom and leave the leased premises in a clean and neat condition.

MAINTENANCE

33. - Lessee shall, throughout the term of this lease, without cost or expense to King County, keep and maintain the leased premises and all improvements, landscaping, fixtures and equipment which may now or hereafter exist thereon, in good and sanitary order and repair and in a good, safe and presentable condition consistent with the highest of business practices.

If after twenty (20) days' notice from King County, Lessee fails to maintain or repair any part of the leased premises or any improvement, landscaping, fixtures or equipment thereon, King County may, but shall not be obligated to, enter upon leased premises and perform such maintenance or repair and Lessee agrees to pay the costs thereof to King County, upon

receipt of a written demand. Any unpaid sums under this paragraph will bear interest at the maximum rate allowed by Washington State law.

UTILITIES

34. - The Lessee shall furnish all utility services, including but not limited to; water, sewer, gas, electricity and oil, at his own expense and remove all wastes and garbage at his own expense.

ALTERATIONS

35. - No improvement, including landscaping, shall be erected or placed on the leased premises and no alterations will be made in the improvements and facilities constructed or to be constructed on the leased premises pursuant to paragraph 30 of this lease, without the prior written approval of King County.

SIGNS

36. - No sign, advertisement, notice or other lettering will be exhibited, inscribed, painted or affixed by Lessee on any part of the outside or inside of the premises without the prior written consent of King County. If Lessee violates this provision, King County may remove the signs without any liability, and may charge the expense incurred by such removal to the Lessee, provided however, King County shall give Lessee written notice of Lessee's violation of this provision and Lessee shall have 48 hours after receiving said notice to comply with the terms of this provision, before King County shall remove said signs. All signs erected or installed by Lessee shall be subject to any Federal, state or local statutes, ordinances or regulations applicable to signs.

INSPECTIONS-ACCESS 37. - King County reserves the right to inspect the leased premises at any and all reasonable times throughout the term of this lease; provided, that it shall not interfere unduly with Lessee's operations. The right of inspection reserved to King County hereunder shall impose no obligations on King County to make inspections to ascertain the condition of the premises, and shall impose no liability upon King County for failure to make such inspections.

"LESSEE"
INCLUDES LESSEES

38. - It is understood and agreed that for convenience the word "Lessee" and verbs and pronouns in the singular number and neuter gender are uniformly used through this lease, regardless of the number, gender or fact or incorporation of the party who is, or of the parties who are, the actual Lessee or Lessees under this agreement.

CAPTIONS

39. - The captions in this lease are for convenience only and do not in

any way limit or amplify the provisions of this lease.

NOTICES

40. - All notices hereunder may be delivered or mailed. If mailed, they shall be sent certified or registered mail to the following respective addresses:

TO LESSOR: King County Executive
c/o Office of Property & Purchasing
E531 King County Courthouse
Seattle, Washington 98104

TO LESSEE: Seattle Flight Service Inc.
7001 East Perimeter Road
King County Airport
Seattle, Washington 98108

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

JOINT AND
SEVERAL
LIABILITY

41. - Each party who signs this lease, other than in a representative capacity, will be jointly and severally liable for the performance of the obligations under this lease.

FORCE MAJEURE

42. - With reference to the performance required by paragraph 30 of this lease, if either party hereto shall be delayed or prevented from the performance of any act required by reason of acts of God, strikes, lockouts, restrictive governmental laws or regulations, without fault and beyond the control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided, however, nothing in this section shall excuse Lessee from the prompt payment of any rental or other charge required of Lessee hereunder except as may be expressly provided elsewhere in this lease.

IN WITNESS WHEREOF, this Lease is executed in triplicate on behalf of King County by the County Executive and by the Lessee by its duly authorized Officer.

LESSOR:

KING COUNTY, WASHINGTON

BY: 

DATE: 11-9-72

STATE OF WASHINGTON)
County of King) ss

On this day personally appeared before me, John D. Spellman
to me known to be the County Executive of King County, Washington, the person who
signed the above and foregoing instrument for King County for the uses and purposes
therein stated and acknowledged to me that he signed the same as the free and volun-
tary act and deed of King County and that he was authorized to so sign.

Given under my hand and official seal this 9th day of Nov., 19 72.

Barbara A. Schmidt
NOTARY PUBLIC in and for the State of Washington
Residing at Seattle

LESSEE: SEATTLE FLIGHT SERVICE INC.

BY:

DATE:

Jack M. Conrad
6 Nov 1972

STATE OF WASHINGTON)
County of King)

On the 6 day of November, 19 72, before me a
Notary Public in and for the State of Washington, duly commissioned and sworn,
personally came Jack M. Conrad Pres. Seattle Flight Service Inc.
to me known to be the individual— described in and who executed the within
instrument and acknowledged to me that he signed and sealed the same as
his free and voluntary act and deed for the uses and purposes therein
mentioned.

NOTARY PUBLIC IN and for the State of Washington
Residing at Seattle

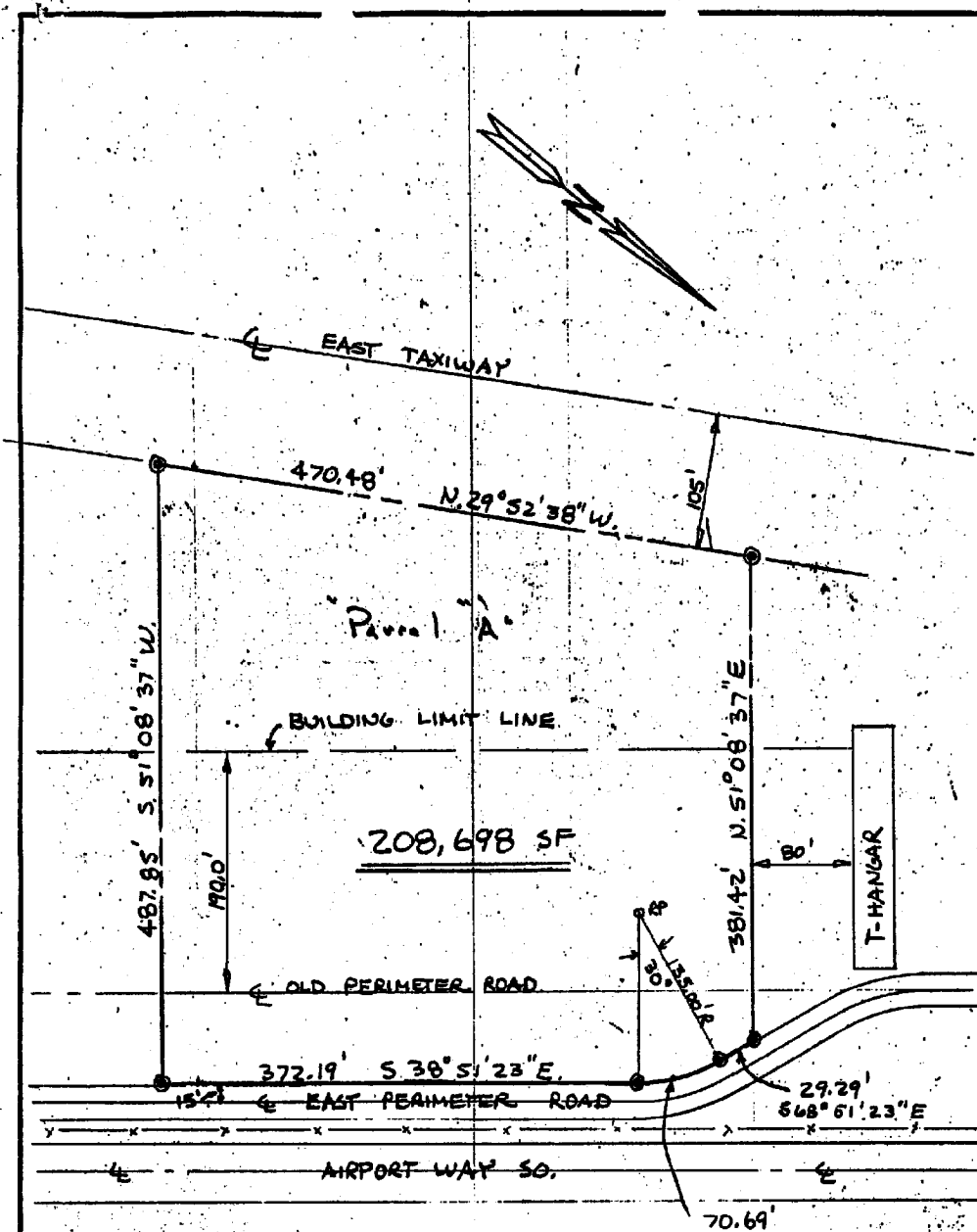
APPROVED AS TO FORM & LEGALITY

By:

J. Richard Quirk
Deputy Prosecuting Attorney

DATE:

Nov 6, 1972



BOEING FIELD INTERNATIONAL KING COUNTY AIRPORT SEATTLE, WASHINGTON		
PLACE 7001 E. PERIMETER ROAD		
TENANT SEATTLE FLIGHT SERVICE, INC.		
DATE 10-24-72	SCALE 1"=100'	EXHIBIT "A"